

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 872 - SB 1157**

March 31, 2023

**SUMMARY OF BILL:** Expands the information that the Department of Safety (DOS) must include in its annual report to various members of the General Assembly detailing asset seizures and forfeitures occurring in the previous year. Requires DOS to make the report available to the public on its website.

**FISCAL IMPACT:**

**Increase State Revenue –**

**\$266,100/FY23-24/Strategic Technology Solutions**

**\$10,000/FY24-25 and Subsequent Years/Strategic Technology Solutions**

**Increase State Expenditures –**

**\$266,100/FY23-24/Department of Safety**

**\$10,000/FY24-25 and Subsequent Years/Department of Safety**

**\$355,500/FY23-24/General Fund**

**\$349,000/FY24-25 and Subsequent Years/General Fund**

**Increase Local Expenditures - \$1,380,000/FY23-24\***

**Assumptions:**

- Pursuant to Tenn. Code Ann. § 40-33-216, the DOS is currently required to submit such a report each year to various members of the General Assembly by March 1.
- The proposed legislation requires DOS to make the report available to the public on its website and adds a significant amount of new information and detail that is required to be included.
- To meet the requirements of the proposed legislation, the DOS will require a new data portal to allow for the capture and sharing of the relevant information by local law enforcement and DOS, a one-time update and recurring maintenance to the Lawbase system to tailor it to the new reporting requirements, and four Administrative Service Assistant 4 positions to manage the additional information being collected and reported.
- The Department of Finance and Administration's Strategic Technology Solutions (STS) will create the new data portal and has provided to DOS an estimate of \$256,100 to complete the project. In addition, according to STS, the portal will require recurring costs of an estimated \$10,000 for server infrastructure.

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- This will create an increase in revenue to STS of \$266,100 (\$256,100 build + \$10,000 server) in FY23-24, and \$10,000 (server) in FY24-25 and subsequent years, with an equal increase in expenditures to DOS.
- The increase in state expenditures to update the Lawbase system, managed by a third-party vendor, is estimated to be \$1,100 in FY23-24.
- The recurring increase in state expenditures related to maintenance of the Lawbase system is estimated to be \$17,000 in FY24-25 and subsequent years.
- The increase in state expenditures related to the four new positions is estimated to be \$354,425 (\$237,984 salary + \$68,841 benefits + \$22,400 office setup + \$25,200 administrative expenses) in FY23-24.
- The increase in expenditures related to the four new positions is estimated to be \$332,025 (\$237,984 salary + \$68,841 benefits + \$25,200 administrative expenses) in FY24-25 and subsequent years.
- The total increase in state expenditures to the General Fund is estimated to be \$355,525 (\$1,100 Lawbase + \$354,425 positions) in FY23-24.
- The total increase in state expenditures to the General Fund is estimated to be \$349,025 (\$17,000 Lawbase maintenance + \$332,025 positions) in FY24-25 and subsequent years.
- Based on information previously provided by the Tennessee Sheriff's Association, it is assumed that local sheriffs' offices will require, at minimum, some system and software updates to accurately capture and transmit the required information to DOS. The one-time increase in expenditures to each local sheriff's office for these updates is estimated to be \$7,500. Therefore, the total increase in local expenditures related to local sheriffs is estimated to be \$712,500 (95 offices x \$7,500) in FY23-24.
- It is assumed that local municipal police departments will also require similar updates for data capture and reporting.
- There are 89 municipal police departments in Tennessee. Therefore, the increase in local expenditures related to municipal police is estimated to be \$667,500 (89 municipal police x \$7,500) in FY23-24.
- The total mandatory increase in local expenditures to law enforcement agencies for software and system upgrades is estimated to be \$1,380,000 (\$712,500 sheriffs + \$667,500 police) in FY23-24.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director